GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3520
ANSWERED ON:16.08.2010
EXPORT OF MINERALS
Satpathy Shri Tathagata;Swamygowda Shri N Cheluvaraya Swamy

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether demand for banning the export of minerals is being made to the Government from various quarters; and

(b) if so, the details thereof and the reaction of the Government thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JYOTIRADITYA M. SCINDIA)

(a) & (b) : One communication each from the Minister of Steel and the Chief Minister of Karnataka has been received. Their communications invite reference to exploitation of mines, illegal mining and the need for discouraging export of iron ore through levy of appropriate export duty. Iron ore production in India has always been higher than the capacity of domestic steel industry to consume it. India is mainly exporting iron ore fines which are not used by domestic steel industry due to limited sintering and pelletisation capacity. There is a need to export excess ore (mainly fines) as it cannot be stored and would cause environmental degradation and hazards in mining areas, if not evacuated and exported. Of the total iron ore exported during the year 2008-09, iron ore fines constituted about 87% share. Further, if iron ore exports are restricted, it would affect economic activities in remote areas where handling of iron ore is the main employment generating activity.